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21 DEC 1970

MEMORANDUM FOR: Deputy Director for Support

ATTENTION : Chief, Planning Staff, DD/S

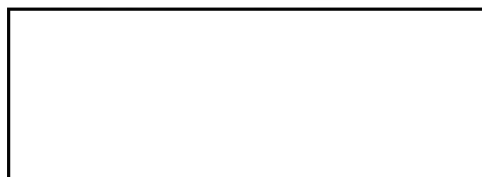
SUBJECT : Agency Management Improvement Program

REFERENCES : (a) Routing and Record Sheet Note dtd 5 Nov 70 to  
D/L fr C/PS-DD/S, re same subject, w/att(b) Multiple Addressee Memo dtd 16 Nov 70 fr  
C/PS-DD/S, subject: Implementation of  
OMB Circular A-44 (Revised)

1. This memorandum is for your information only. In response to the referent instructions, it reports those goals selected for inclusion in the Program and expected to contribute significantly to the effectiveness and efficiency of Logistics support.

2. The report covers goals which have been set by the Office of Logistics during fiscal year 1971. Of greater importance, however, is the fact that many of the goals represent trend-setting new approaches, concepts, and outlooks which have the potential to produce long-range future benefits in addition to those which will be realized over the shorter term, current fiscal year period.

3. The attachment to this memorandum highlights, under the specified Section I and Section II categories, the improvement goals of Logistics Management Support elements and our five functional areas. While other items were considered, we have selected those of most importance and having a potentially greater impact in the management/cost aspects of the Program. We also feel that by limiting our program to the important goals, we can concentrate our efforts and attain a high degree of progression and accomplishment which might not be realized if we adopted a broad, all-inclusive program. As these tasks progress, and are completed, we intend to bring other subjects under study so that we will have a continuing program of management improvement.



John F. Blake  
Director of Logistics

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## SECTION I - MANAGEMENT EFFECTIVENESS GOALS

### 1. LOGISTICS MANAGEMENT SUPPORT

#### a. Program Development Committee

A special ad hoc committee has been established within the Office of Logistics to study and develop long-range plans and programs for the Office. The committee will explore, in particular, those areas where change would result in a positive improvement in what this Office does and how it carries out its responsibilities. In attaining its objectives, the committee will identify those areas where substantive changes will be most effective, assess ramifications, and reach conclusions. This is considered to be a significant step toward assuring that we are prepared to implement any Logistics management change which will be advantageous to the Agency, and to ensure that required resources are available.

#### b. Building Planning and Space Utilization

OL is committed to a building program goal of forward planning--targeted at least ten years ahead--which will include the most advanced and efficient structures, supporting facilities and systems, and equipment. Within this overall goal are three distinct subsidiary goals identified as follows:

(1) Plan and propose the consolidation of any office which has elements dispersed throughout the Metropolitan Washington Area in order to facilitate management of the office, and reduce nonproductive travel time and costs.

(2) Identify improper or inefficient use of space and develop improvements through moves, reclamation, joint usage, or reconfiguration.

(3) Submit timely and substantiated requirements for A&E negotiations and construction contracting, so as to eliminate potential losses through the escalation factor which is increasing construction costs about 10 percent each year.

#### c. Utilities System

A task force with a consulting contractor has been formed and given the objective of completing a survey of our entire Headquarters utilities system, mechanical and electrical. The overall goal to be achieved from this survey is a long-range plan for the improvement of the utilities system leading to both improved operation and less maintenance. In addition, we are planning in advance for the increased demands to be placed upon the utilities system by projected increases in personnel and space facilities on the Headquarters Langley site.

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d. Optimum Utilization of Procurement Management Personnel

A primary goal stemming from the recent refinement of the Procurement Management structure is the maximum utilization of procurement personnel, including the development of latent talent and the consequent better performance of all procurement staff responsibilities. Achievement of this goal will be carried out through analyses of individual employee duties and backgrounds, and reassignment of responsibilities commensurate with employee capability and potential for development. To assure the successful attainment of this goal, the new Procurement Management Staff will devote intensive effort to specialized policy and procedures for procurement personnel development, including such matters as orientation, training, rotation, promotion, recruitment, travel, "tours of duty," and a wide variety of similar matters.

2. SUPPLY OPERATIONS

a. Develop New Redistribution and Disposal Techniques

Effort will be concentrated and additional techniques developed to expedite the identification of slow moving and excess materiel, and to expand the redistribution or disposal of such assets.

b. Expand Vendor Packaging Program

✓ To reduce requirements for repackaging of materiel by the Depots to the minimum, the vendor packaging program will continue to be expanded. This goal will be achieved by providing guidance and encouragement to all technical and procurement elements in issuing packaging specifications to the vendor with the initial procurement action.

c. Consolidation of Shipments

✓ The consolidation of cargo shipments will be expanded through increased use of CONEX and van-type containers. Such consolidation will, in turn, provide for increased usage of the [ ] service for shipments from the [ ] and Southeast Asia, and achieve the advantage of reduced transportation time to those points.

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d. Reduction of Documentation and Records

An overall Supply goal has been set for the reduction of file records, requisition copies, shipping documents, and other general supply documentation. This overall goal will be achieved through the implementation of three separate subsidiary goals as follows:

(1) Combine General Purchase Order and  accountable property files at the time of retirement, thereby reducing the number of files retired by 17,500 annually and conserving 100 cubic feet of Records Center Space annually.

(2) Eliminate the duplication of files maintained by the Supply Division and Agency operating elements concerning TVA's and administrative items of supply.

(3) Transmit a single copy of supply documentation to field activities in lieu of the present practice of multiple copy transmittals. Field activities can then reproduce any required number of additional copies.

3. PROCUREMENT OPERATIONS

a. Refine Procurement Practices and Procedures

Procurement practices and procedures have undergone substantial changes as a result of decentralizing contract procurement and restructuring the Procurement Division. These changes now require intensive review to ensure that they are further refined as necessary and will contribute to a more efficient procurement operation.

b. Information Processing System

The development of an automated information processing system has been set as a goal for the purpose of improving procurement record keeping without additional personnel.

4. REAL ESTATE AND CONSTRUCTION OPERATIONS

a. Architectural and Engineering Planning

A goal to expand architectural and engineering assistance, guidance, and consultation has been set for support of:

(1) Consolidation programs in the Langley area.

(2) Environmental improvement programs.

5X1 (3) Special construction projects including protective modifications,  modifications, and renovations.

(4) Modifications or replacement of elements of our utilities equipment which will be required as a result of the current utilities survey.

b. Worldwide Maintenance Program

LEGIB This program goal includes the recruitment, training, and assignment of personnel as well as standards for maintenance levels and records criteria. As this goal is attained, a follow-on objective will be the identification of actions which can be taken to reduce maintenance costs.

c. Net Work Analysis of Projects

There is need for a management tool to analyze engineering progress and to identify potential trouble spots that will require extra effort to solve. At the present outlook, the Critical Path Method (CPM) appears to be most adaptable to this need, and an automated program goal utilizing the CPM method has been established as a management effectiveness goal.

5. LOGISTICS SERVICES

a. Work Order Priority System - Building Operations

To ensure that the backlog of work is reduced and held to the absolute minimum, a goal has been set to automate recordkeeping procedures for work outstanding and cumulative work accomplished. A preliminary portion of this goal has been accomplished through the development of a systematic manual follow-up system.

b. Call Director Program

The updating of all telephone instruments in use in Agency buildings in the Metropolitan Washington Area has been programmed for the purpose of improving Agency telephone service. We are now engaged in the second and final phase of this goal which is targeted toward replacing all obsolescent telephone instruments in the Headquarters Building. The first phase of the goal, involving equipment in buildings outside of Headquarters Building, has been completed.

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c. Auditorium Sound System

The present system is antiquated by comparison to today's standards and updating of the system is required to improve audio quality, particularly in fulfilling the needs of Agency management for recordings of meetings which involve audience participation. Action to achieve this goal is being taken in technical coordination with the Office of Training, Technical Services Division, Central Reference Service, and commercial contractors.

d. Cafeteria Facilities

A major goal in the continuing effort to improve cafeteria service is the redesign of the North and South cafeteria kitchen, serving, and dining areas. Included in this goal are the installation of char broilers and the improvement of overall environmental conditions in the serving and dining areas.

6. PRINTING SERVICESa. Printing Production Time

Action will be taken to increase efficiency to the maximum extent by reducing printing production time for all printing requirements, and also to reduce existing backlogs.

b. Information Handling

Potential improvements in information handling via microforms will be pursued. Developments in the graphic arts in this area will be evaluated, and appropriate action will be taken where methods and equipment are found that will add to our information handling capabilities.

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## SECTION II - COST REDUCTION GOALS

1. LOGISTICS MANAGEMENT SUPPORTReports Requirements

As a result of the recently completed Reports Inventory, we now have a reports reduction goal targeted toward eliminating \$25,000 annually in reporting costs. Elimination of \$4,500 in such costs was identified during the course of the inventory exercise and we, therefore, have a net remaining goal of \$20,500 to be attained. Since the Office of Logistics does not have a reports management component in the classical sense, none of our positions have been identified according to reports-skill titles. Further, there are no personnel who perform reports-related duties as a full-time occupation. Accordingly, Logistics Support Management believes that a reduction in Office of Logistics reports, and the hours devoted to their preparation, will result essentially in the opportunity to achieve more productive use of manpower rather than a substantial reduction in resource requirements.

2. SUPPLY OPERATIONSa. [ ] Personnel Strength

Action will be taken to reduce the number of on-duty personnel at [ ] from the present total of [ ]. It is estimated that cost reductions will amount to more than \$80,000 annually. Further, this figure is subject to upward adjustment since the cost of forthcoming pay increases will also be reduced.

b. Heating Plant

Conversion of the [ ] heating plant from fuel oil to natural gas has been set as a cost reduction goal. The cost of conversion will amount to \$12,000. Based on historical BTU usage, the use of natural gas as opposed to fuel oil will amortize conversion costs in less than two years and result in savings of \$6,800 each year thereafter.

c. [ ] Guard Force

Reduction of the guard force and installation of an Infrared Intrusion Detector to supplement the reduced force will be proposed for Office of Security approval as a cost reduction goal. Installation of the Detector will amount to \$20,000. Reduction of the force to four guards will result in cost reductions of \$34,000 annually.

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